



"To enrich lives through effective and caring service"



Stan Wisniewski
Director

Kerry Silverstrom
Chief Deputy

June 14, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 5 TO LEASE NO. 13509 AND MEMORANDUM
OF LEASE TO EFFECT FURTHER REDEVELOPMENT AND EXTEND LEASE TERM
PARCEL 97R (MARINA BEACH SHOPPING CENTER) - MARINA DEL REY
(FOURTH DISTRICT)
(4 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the proposed Amendment No. 5 and Memorandum of Lease are categorically exempt under the California Environmental Quality Act pursuant to classes 1(r) and 4(j) of the County's Environmental Document Reporting Procedures and Guidelines.
2. Authorize the Chair to execute the attached Amendment No. 5 to Lease No. 13509 ("Amendment") and Memorandum of Lease ("Memorandum") with GOLD COAST SHOPPING CENTER, LLC, a Delaware limited liability company ("Lessee"), for the Parcel 97R lease, Marina del Rey, reflecting a revised, more costly renovation plan, an additional extension fee, and an eight-year extension of the current term to 2056.

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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County is the lessor of a ground lease for Parcel 97R, which was originally entered into in 1968 for a term of 60 years. Your Board previously, on November 22, 2004, executed an Amended and Restated Lease Agreement ("Restated Lease") to Lease No. 13509 to facilitate redevelopment of Parcel 97R, which provided for a 20-year extension of the original lease term to May 31, 2048 and payment of a \$400,000 lease extension fee, and required a renovation plan with a minimum cost of \$2.9 million, resulting in a remodeled shopping center of 24,957 square feet, as well as construction of a new landscaped entryway park space/public area of approximately 5,730 sq. ft. at the southeast corner of Washington Boulevard and Via Marina. The park space/public area complements another like park space/public area on the southwest corner of Washington Boulevard and Via Marina that will be developed by this same lessee pursuant to another lease already approved by the Board.

The principals of the Parcel 97R Lessee are also the principals of the lessee of Parcel 95S, situated west of Parcel 97R across Via Marina. Plans for the demolition and reconstruction of Parcel 95S would have required the placement of one of its primary tenants, Wells Fargo Bank, in a temporary facility for an extended period, and the Parcel 97R Lessee has, instead, proposed reconfiguration of the Parcel 97 leasehold plan to provide for replacement of two planned smaller buildings with a new larger single building to house Wells Fargo Bank. The revised plan will also effect an increase in the size of the entryway park space/public area to approximately 9,937 sq.ft., an increase of over 70% in size.

The Amendment being presented for your Board's consideration provides for this revised redevelopment and also increases the minimum cost of construction of the renovated facilities from \$2.9 million to \$5.4 million. In addition, Lessee is required to pay an additional extension fee of \$160,000, resulting in a total extension fee of \$560,000. The term of the Restated Lease will be increased by eight years to May 31, 2056.

The Restated Lease calls for both Lessee and County to sign a memorandum of lease ("Memorandum") in recordable form following the effective date of the lease. The Memorandum updates the previous memorandum of lease to acknowledge the Amendment.

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Implementation of Strategic Plan Goals

In furtherance of County Goal #4, "Fiscal Responsibility," the recommended action will allow the Department to implement that portion of its Strategic Plan that enhances strategic partnerships with existing and prospective lessees through proactive implementation of the Marina del Rey Asset Management Strategy toward both revenue maximization and property redevelopment.

FISCAL IMPACT/FINANCING

The Amendment calls for the Lessee to pay an additional extension fee of \$160,000, resulting in a total extension fee of \$560,000. The additional \$160,000 extension fee is payable via an increase in the currently required annual extension fee payments by \$32,000 from \$66,666.80 to \$98,666.80. All sums due are also subject to payment of interest on the unpaid balance at the prime rate.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County originally entered into a 60-year ground lease for Parcel 97R on June 1, 1968, which was amended and restated on November 22, 2004, extending the expiration date of the lease to May 31, 2048. As a consequence of the revised renovation plan and the increased required expenditures for renovations, as well as the expanded public space to be provided by the Lessee, an additional eight years is being added to the lease term, extending the expiration date to May 31, 2056.

In construction of the revised renovation plan, the Lessee plans to demolish three existing buildings (8,978 square feet) and build two new buildings (9,286 square feet) and completely redevelop the remaining five buildings (15,671 square feet) of the existing Marina Beach Shopping Center, along with providing 109 parking spaces and constructing and maintaining a larger new landscaped entryway park on the southeast corner of Washington Boulevard and Via Marina. The minimum cost of the redevelopment work of \$2.9 million is increased to \$5.4 million.

Under the terms of the Amendment, except for the \$160,000 increase in the extension fee, the revised renovation plan, the increase of the minimum cost of redevelopment work to

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\$5.4 million and the extension of the lease termination date to May 31, 2056, all other terms of the Restated Lease will remain the same.

The Small Craft Harbor Commission unanimously endorses the Director's recommendation that your Board approve the attached Amendment and Memorandum, which have been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

Approval of Amendment No. 5 and the Memorandum of Lease are categorically exempt under the California Environmental Quality Act pursuant to classes 1(r) and 4(j) of the County's Environmental Document Reporting Procedures and Guidelines. Entering into the Amendment does not authorize construction or re-construction of any improvements on the parcel. The discretionary land use entitlements and the corresponding environmental documentation necessary to implement the proposed redevelopment/replacement contemplated by the Amendment and the Restated Lease are under review by the Department of Regional Planning.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on other current services or projects.

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CONCLUSION

Authorize the Executive Officer of the Board to send two copies of the executed Amendment and Memorandum to the Department of Beaches and Harbors.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stan Wisniewski". The signature is fluid and cursive, with the first name "Stan" and last name "Wisniewski" clearly distinguishable.

Stan Wisniewski, Director

SW:AK:GB:ms

Attachments (2)

c: Chief Administrative Officer
Executive Officer, Board of Supervisors
County Counsel

AMENDMENT NO. 5 TO LEASE NO. 13509
PARCEL 97R

THIS AMENDMENT NO. 5 TO LEASE NO. 13509 ("Amendment") dated as of _____, 2005, is entered into by and between the COUNTY OF LOS ANGELES ("County"), as lessor, and GOLD COAST SHOPPING CENTER, LLC, a Delaware limited liability company ("Lessee"), as lessee.

RECITALS

A. County and Lessee entered into that certain Amended and Restated Lease Agreement dated as of November 22, 2004, and referred to as Lease No. 13509, pertaining to the real property located in the Marina del Rey Small Craft Harbor commonly known as Parcel No. 97R (the "Lease").

B. In accordance with the Lease, the Term of the Lease was extended to expire on May 31, 2048.

C. County and Lessee desire to further extend the Term of the Lease by an additional eight (8) years to May 31, 2056.

D. In consideration of the extension of the Term of the Lease as provided in this Amendment, the parties have agreed to increase the Extension Fee described in the Option Agreement in accordance with the terms of this Amendment.

E. County and Lessee desire to modify the Renovation Plan that is attached to the Lease as Exhibit B.

AMENDMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Lessee agree as follows:

1. Capitalized Terms. All capitalized terms used in this Amendment, and not otherwise defined herein, shall have the same meanings given such terms in the Lease.

2. Extension of Term of Lease. The Term is hereby extended for an additional eight (8) years from 11:59 p.m. on May 31, 2048 to 11:59 p.m. on May 31, 2056.

3. Extension Fee. Section 4.2 of the Option Agreement required the payment of an Extension Fee of Four Hundred Thousand Dollars (\$400,000.00). Sixty-Six Thousand Six Hundred Sixty-Six Dollars (\$66,666.00) of the Extension Fee has been paid by Lessee in the form of the Option Fee described in Section 4.1 of the Option Agreement. Prior to this Amendment, the remaining unpaid principal amount of the Extension Fee was Three Hundred Thirty-Three Thousand Three Hundred Thirty-Four Dollars (\$333,334.00), payable in five equal Extension Fee Installment Payments of Sixty-Six Thousand Six Hundred Sixty-Six and 80/100

Dollars (\$66,666.80) each, plus accrued interest, in accordance with the terms of Section 4.3 of the Lease and Section 4.2 of the Option Agreement.

In consideration of the extension of the Term of the Lease from May 31, 2048 to May 31, 2056, the Extension Fee is hereby increased by One Hundred Sixty Thousand Dollars (\$160,000.00) to Five Hundred Sixty Thousand Dollars (\$560,000.00), and each of the five Extension Fee Installment Payments is increased by Thirty-Two Thousand Dollars (\$32,000.00) to Ninety-Eight Thousand Six Hundred Sixty-Six and 80/100 Dollars (\$98,666.80) each, plus accrued interest on the unpaid balance of the Extension Fee in accordance with the provisions of Section 4.2 of the Option Agreement. The first Extension Fee Installment Payment (as increased herein) is due and payable by Lessee on November 22, 2006, and the remaining four Extension Fee Installment Payments are due and payable by Lessee on each of the first four anniversaries of November 22, 2006, through and including November 22, 2010.

4. New Renovation Plan. The Renovation Plan that is attached to the Lease as Exhibit B is hereby replaced with a new Renovation Plan that is attached to this Amendment as Exhibit A and incorporated herein by reference.

5. Modification to Minimum Cost of Redevelopment Work The reference to "\$2,900,000" in the sixth (6th) sentence of Section 5.1 of the Lease is hereby changed to "\$5,400,000."

6. Governing Law. This Amendment shall be governed by and interpreted in accordance with the laws of the State of California.

7. No Other Modifications. The parties acknowledge that the Lease remains in full force and effect, unmodified except as set forth herein. This Amendment constitutes the entire agreement of the parties with regard to the amendment of the Lease, and this Amendment supersedes any and all previous negotiations, communications or understandings between the parties, whether oral or written, with regard thereto.

8. County Costs. Lessee shall promptly reimburse County for the Actual Costs incurred by County in the review, negotiation, preparation and documentation of this Amendment and any term sheets and memoranda that preceded it. County shall deliver to Lessee a report detailing such expenditures within ninety (90) days after the date of this Amendment.

9. Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original, and all of which together shall collectively constitute one fully-executed document.

IN WITNESS WHEREOF, County and Lessee have entered into this Amendment as of the date first set forth above.

THE COUNTY OF LOS ANGELES

GOLD COAST SHOPPING CENTER,
LLC, a Delaware limited liability company

By: _____
Chair, Board of Supervisors

By: Michael Pastore
Its: managing member
By: [Signature]
Its: managing member

ATTEST:

VIOLET VARONA-LUKENS,
Executive Officer of the
Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: [Signature]
Deputy

APPROVED AS TO FORM:

MUNGER, TOLLES & OLSON LLP

By: [Signature]

EXHIBIT A
RENOVATION PLAN

EXHIBIT A
RENOVATION PLAN

Term Sheet Template Item	<i>Lessee Proposal</i> Gold Coast Shopping Center – Parcel 97
1) SCOPE OF WORK	
<p>A reasonably detailed, written narrative description of the work to be done, including each of the following:</p> <ul style="list-style-type: none"> <input type="checkbox"/> All new construction and renovation – See below <input type="checkbox"/> Timing for the start of the work – September 2004 <input type="checkbox"/> Timing for the completion of the work – November 2005 <p>The narrative shall include all applicable components of the project, grouped as set forth below.</p>	
a) Commercial – Shopping Center	
<ul style="list-style-type: none"> • Demolition (of existing improvements prior to commencing work) 	<ul style="list-style-type: none"> (1) Demolish existing Building A: 510 Washington Blvd., Building B: 514 - 522 Washington Blvd. and Building F: 566, 572 Washington Blvd. (2) Remove one curb – cut to Washington Blvd located on the North – East of the property. (3) Remove any planters, asphalt paving light fixture etc. to allow for new design of shopping center.
<ul style="list-style-type: none"> • New building construction 	<ul style="list-style-type: none"> (1) Construction new building B & F. (2) Construction new parking layout.

<i>Term Sheet Template Item</i>	<i>Lessee Proposal Gold Coast Shopping Center – Parcel 97</i>
<ul style="list-style-type: none"> • Remodeled building exteriors 	<p>(1) Renovate all existing building exterior.</p> <p>(2) Create towers at the center of each building.</p> <p>(3) Create new sign fascia.</p> <p>(4) Provide new trellis design at roof level to provide a nautical design and hide air condition equipment.</p> <p>(5) Create new trellis areas between buildings.</p> <p>(6) Paint all building exteriors.</p> <p>(7) Provide new light fixtures at each building.</p>
<ul style="list-style-type: none"> • Remodeled building interiors 	<p>All interiors will be remodeled to meet the requirements of the sub-tenant.</p>
<ul style="list-style-type: none"> • Remodeled interior building common areas 	<p>All interiors are part of the sub-tenant's leasehold. There will be no interior common area.</p>
<ul style="list-style-type: none"> • Remodeled exterior building common areas 	<p>(1) Repave several areas of the center to enhance the exterior environment of the center. The paving shall be decorative.</p> <p>(2) Provide a park-like setting at the corner of Palawan Way and Admiralty similar to the park which be created on Lot 95 North East corner. The park shall include a fountain, seating area, trees and decorative paving.</p> <p>(3) Create new decorative paving areas between several of the buildings and revised lighting to encourage outdoor seating.</p>

Term Sheet Template Item	<i>Lessee Proposal</i> <i>Gold Coast Shopping Center – Parcel 97</i>
<ul style="list-style-type: none"> Landscaping 	<p>(1) Re-do entire landscape design for the center to include trees, plants and flowers.</p> <p>(2) Renovate landscape area along Washington Boulevard sidewalk.</p> <p>(3) Create a landscape park on the North – West Sidewalk.</p>
b) Marina	
<ul style="list-style-type: none"> Replacement of docks and slips, including design and materials 	This item does not apply because Parcel 97 is not adjacent to the water. There are no slips.
<ul style="list-style-type: none"> Retention of existing slip count, including slip count before and after by slip size 	This item does not apply because Parcel 97 is not adjacent to the water. There are no slips.
<ul style="list-style-type: none"> Retention of marine commercial facilities, including area count before and after for each category 	This item does not apply because Parcel 97 is not adjacent to the water and there currently are no marine commercial uses.
c) Promenade	
<ul style="list-style-type: none"> Walkway design and materials 	This item does not apply because Parcel 97 is not adjacent to the water and there will be no promenade.
<ul style="list-style-type: none"> Fencing design and materials 	This item does not apply because Parcel 97 is not adjacent to the water and there will be no promenade.
<ul style="list-style-type: none"> Lighting design and materials 	This item does not apply because Parcel 97 is not adjacent to the water and there will be no promenade.

<i>Term Sheet Template Item</i>	<i>Lessee Proposal Gold Coast Shopping Center – Parcel 97</i>
d) Signage	
<ul style="list-style-type: none"> • New signage program 	<p>(1) Redo all signage on new building fascia.</p> <p>(2) Create new monument signs.</p>

Term Sheet Template Item	<i>Lessee Proposal</i> <i>Gold Coast Shopping Center – Parcel 97</i>
2) PLANS & DRAWINGS	
Preliminary plans for all work to be done	
a) Site Plan	
<ul style="list-style-type: none"> Reduced color site plans (8.5x11 or 11x17), showing work described above, including all structures, hardscape, promenade, landscaping and slips 	<p>See Exhibit A-1, "Parcel 97 Site Plan – Initial"</p> <p>Also see Exhibit A-3, "Parcel 97 Elevation and Site Plan – Partial"</p> <p>Also see Exhibit A-6, "Parcel 97 Project Analysis – Revised"</p>
b) Building Elevation	
<ul style="list-style-type: none"> A reduced color elevation (8.5x11 or 11x17) drawing that shows all new and/or renovated building elevations 	<p>See Exhibit A-2, "Parcel 97 Elevation - Initial" Representative of Design Concept</p> <p>Also see Exhibit A-4, "Parcel 97 Typical Elevation – Revised – Domed Cap"</p> <p>Also see Exhibit A-5, "Parcel 97 Typical Elevation – Revised – Raked Cap"</p>
c) Landscaping Plan	
<ul style="list-style-type: none"> If not already included in the above materials 	<p>See Exhibit A-3, "Parcel 97 Elevation and Site Plan – Partial"</p>

<i>Term Sheet Template Item</i>	<i>Lessee Proposal Gold Coast Shopping Center – Parcel 97</i>
d) Dock Construction Plan	
<ul style="list-style-type: none"> Dock construction plan, including physical layout of docks and slips 	This item does not apply because Parcel 97 is not adjacent to the water. There are no slips.

**Term Sheet
Template Item**

**Lessee Proposal
Gold Coast Shopping Center – Parcel 97**

3) BUDGET

a) Budget worksheet

- **Estimated cost for all of the work agreed upon**

\$5.423 million, as described below

**Parcel 97 – Marina Beach Shopping Center
Construction Costs and Assumptions
16 September 2004**

DEVELOPMENT COST ESTIMATE - Parcel 97 Revised Redevelopment Plan

HARD COSTS

Site Improvements

Site Work	Contractor Estimates	\$	145,000
Driveway realignment, curb/gutter & sidewalk		\$	95,000
Landscaping, Interlocking Pavers		\$	190,000
Replace Signage and Lighting		\$	90,000
Park Development and Improvements		\$	379,000
Plaza Area (Building B)		\$	75,000
Contingency - Environmental Remediation		\$	150,000
Contingency - Site Work (5%)		\$	49,000
Total		\$	1,173,000

Direct Construction

Demolition - Building A, B, & F	Allowance	\$	150,000
Building B (Wells Fargo)			
Construction	6050 SF @ \$140	\$	847,000
Tenant Improvements	Per Tenant Agreement	\$	250,000
Building F			
Construction	3236 SF @ \$110	\$	355,960
Tenant Improvements	\$30/SF	\$	97,080
Buildings C, D, E, G & H			
Construction	15671 SF @ \$70	\$	1,096,970
Tenant Improvements	Estimate	\$	240,000
Contingency - Construction (5%)		\$	151,851
Total		\$	3,180,861

Total Hard Costs

\$ 4,361,861

INDIRECT COSTS

A & E Fees	4.0% Hard Cost	\$	174,474
Permits & Fees	2.5% Hard Cost	\$	109,047
Legal, Accounting, Insurance	1.0% Hard Cost	\$	43,619
Other Consultants	Allowance	\$	45,000
Leasing Costs (incl. \$70,000 for Wells Fargo)	\$6 Per SF	\$	183,000
Income during Construction	See Exhibit 3	\$	(130,866)
Developer OH and Management	3.0% Hard Cost	\$	130,856
Loan and Related Fees	2.0%	\$	87,237
Construction Loan Interest	8.5%	\$	207,118
Permanent Loan Fees	1.0%	\$	81,874
Ground Rent During Construction	\$101,705/year	\$	101,750
Contingency (5% excl. loan costs and ground rent)		\$	27,756

Total Indirect Costs

\$ 1,060,865

TOTAL DEVELOPMENT COSTS (rounded)

\$ 5,423,000

Exhibit A-1
Parcel 97 Site Plan – Initial

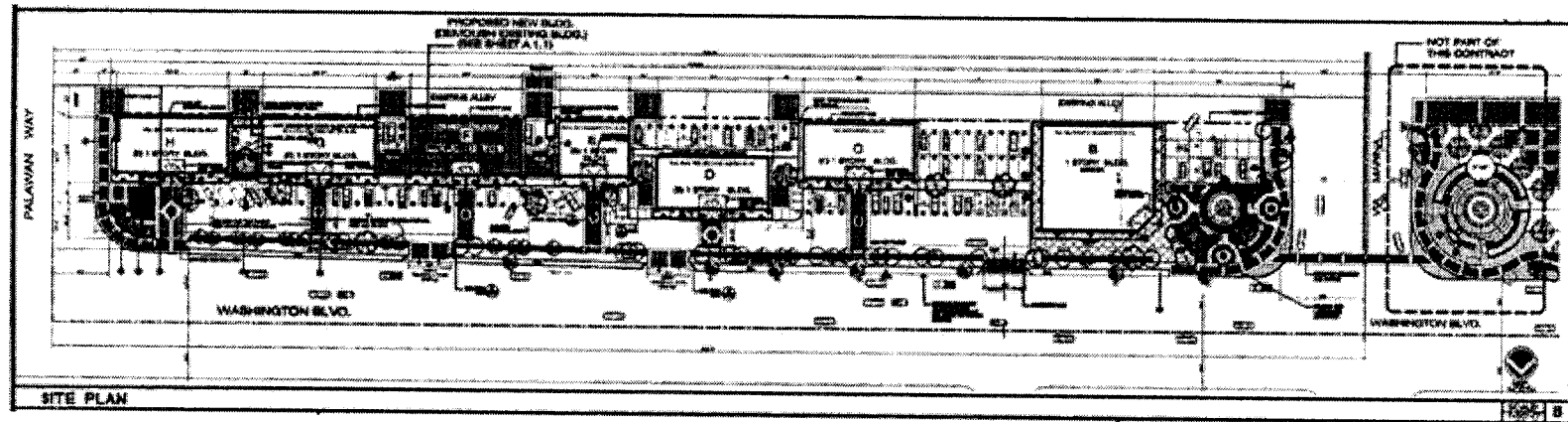
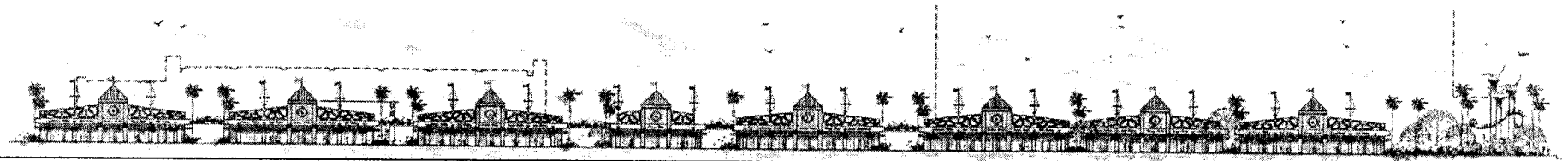


Exhibit A-2
Parcel 97 Elevation – Initial

Elevation along Washington Boulevard



Elevation detail

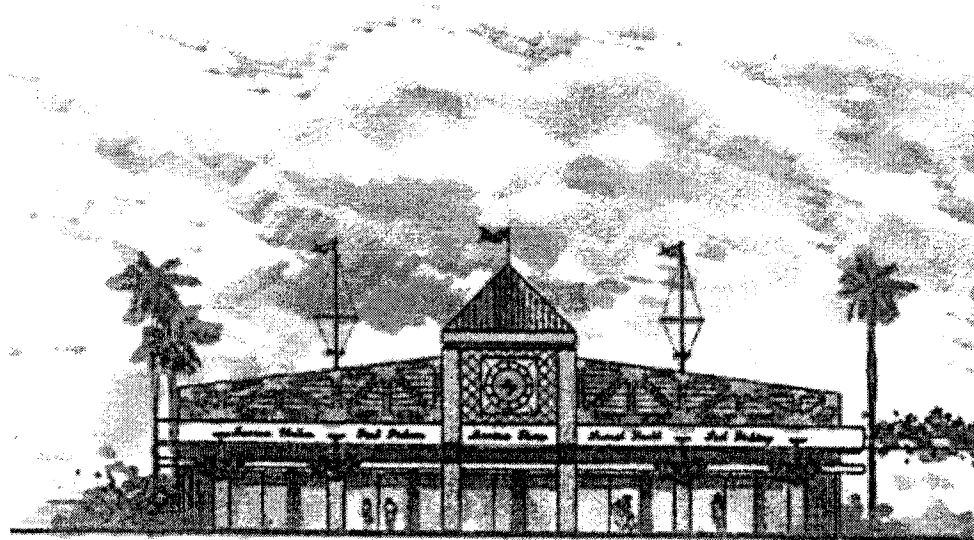


Exhibit A-3
Parcel 97 Site Plan – Partial – Revised

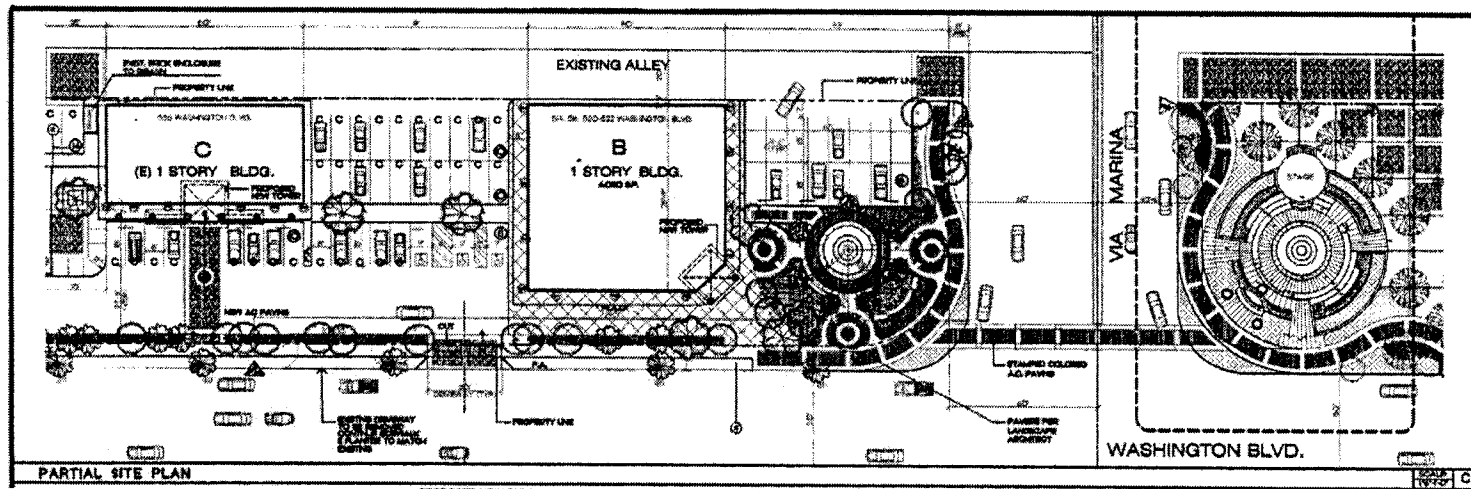
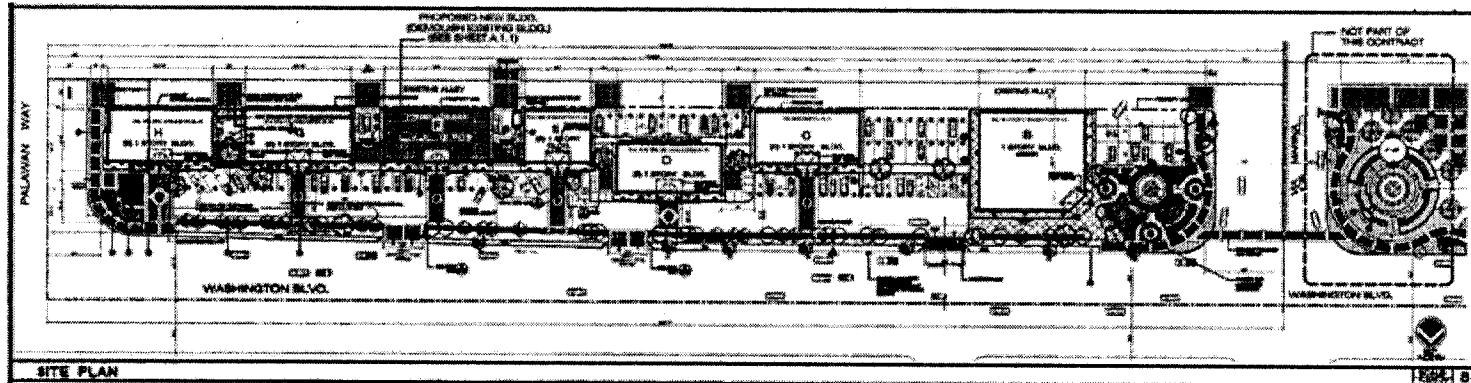
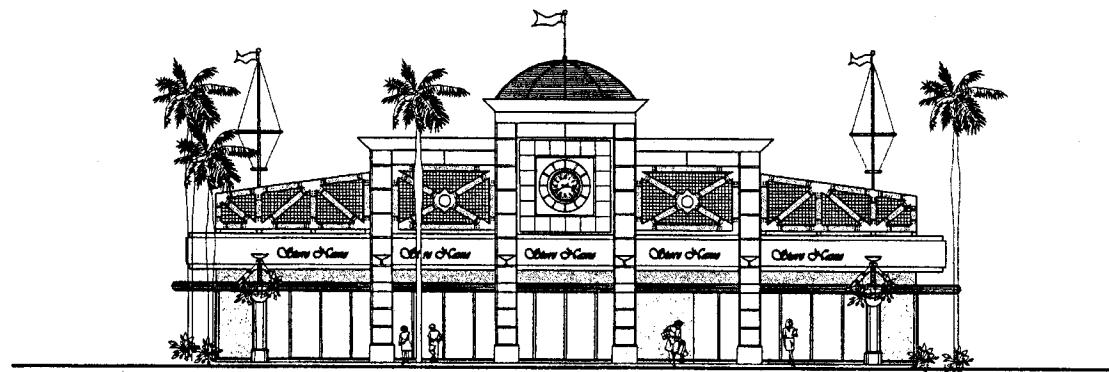


Exhibit A-4

Parcel 97 Typical Elevation – Revised – Domed Cap



TYPICAL ELEVATION

Marina Beach Shopping Center
MARINA DEL REY, PARCEL 97, CALIFORNIA

Jack Hollander
& Associates, Inc.
Architects - Planners - Interiors

Exhibit A-5
Parcel 97 Typical Elevation – Revised – Raked Cap



Exhibit A-6
Parcel 97 Project Analysis – Revised

BUILDING AREA		PARKING ANALYSIS	
EXISTING BUILDING A - 3,023 S.F. TO BE DEMOLISHED		BUILDING 'A'	SQ.FT.
PROPOSED BUILDING B	6,050 S.F.	NEW BUILDING 'B'	DEMOLITION
(EXISTING BUILDING B - 3,228 S.F. TO BE DEMOLISHED)		EXISTING BUILDING 'C'	242 SPACES - 1/250 S.F. (ORD 7349)
EXISTING BUILDING C	3,236 S.F.	EXISTING BUILDING 'D'	8 SPACES - 1/400 S.F. (ORD 7349)
EXISTING BUILDING D	3,236 S.F.	EXISTING BUILDING 'E'	42 SPACES - 13 OCCUPANTS
EXISTING BUILDING E	2,727 S.F.	NEW BUILDING 'F'	7 SPACES - 1/400 S.F. (ORD 7349)
PROPOSED BUILDING F	3,236 S.F.	EXISTING BUILDING 'G'	13 SPACES - 1/250 S.F. (ORD 7349)
(EXISTING BUILDING F - 2,727 S.F. TO BE DEMOLISHED)		EXISTING BUILDING 'H'	6 SPACES - 1/400 S.F. (ORD 7349)
EXISTING BUILDING G	3,236 S.F.		10 SPACES - 13 OCCUPANTS
EXISTING BUILDING H	3,236 S.F.		8 SPACES - 1/400 S.F. (ORD 7349)
TOTAL BUILDING AREA		TOTAL PARKING PROVIDED IN PROJECT	
TOTAL NEW BUILDING TO BE CONSTRUCTED	24,957 S.F.		5 HANDICAPPED SPACES
TOTAL EXIST. BLDG. AREA TO BE DEMOLISHED	9,266 S.F.		& VAN ACCESSABLE
TOTAL EXISTING BUILDING AREA	8,978 S.F.		27 STANDARD SPACES
	24,649 S.F.		77 COMPACT SPACES
		TOTAL PROVIDED	109 SPACES

Recording Requested by:

COUNTY OF LOS ANGELES

When Recorded Return to:

COUNTY OF LOS ANGELES

Office of County Counsel

648 Kenneth Hahn Hall of Administration

500 West Temple Street

Los Angeles, CA 90012

Attn: Thomas Faughnan, Esq.

FREE RECORDING

GOVERNMENT CODE SECTION 6103

SPACE ABOVE THIS LINE FOR RECORDING USE _____

**MEMORANDUM OF LEASE
PARCEL 97R — MARINA DEL REY**

This Memorandum of Lease ("Memorandum") dated as of _____, 2005, is entered by and between the COUNTY OF LOS ANGELES ("County"), as lessor, and GOLD COAST SHOPPING CENTER, LLC, a Delaware limited liability company ("Lessee"), as lessee.

W I T N E S S E T H

WHEREAS, County and Interstate Properties, a limited partnership (the "Original Lessee"), entered into Lease No. 13509 dated June 5, 1968 (as previously amended, the "Prior Lease") regarding the lease from County of that certain real property in the Marina del Rey Small Craft Harbor commonly known as Parcel No. 97R and which is more specifically described on Exhibit A attached hereto and incorporated herein by this reference (the "Premises");

WHEREAS, County and Lessee have entered into that certain Amended and Restated Lease Agreement dated as of November 22, 2004 (the "Restated Lease"), amending and restating the Prior Lease in its entirety; and

WHEREAS, County and Lessee have entered into that certain Amendment No. 5 to Lease No. 13509 dated of even date herewith (the "Amendment"), amending the Restated Lease in certain respects (the Restated Lease, as modified by the Amendment, is referred to herein as the "Lease").

NOW, THEREFORE, in reliance on the foregoing and in consideration of the mutual covenants, agreements and conditions set forth herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto and each of them

mf

do agree that the Prior Lease is hereby amended and restated in its entirety in accordance with the Lease, as follows:

1. **Lease.** For and in consideration of the payment of rentals and the performance of all the covenants and conditions of the Lease, County hereby leases to Lessee, and Lessee hereby leases and hires from County, an exclusive right to possess and use, as lessee, the Premises for the Term (as hereinafter defined) and upon the terms and conditions, and subject to the requirements, set forth in the Lease.


2. **Term.** Unless terminated sooner in accordance with the provisions of the Restated Lease, the term of the Lease (the "Term") shall continue until and expire on 11:59 p.m. on May 31, 2056.

3. **Reservations.** Lessee expressly agrees that the Lease and all rights thereunder shall be subject to all prior encumbrances, reservations, licenses, easements and rights of way existing as of the date hereof or otherwise referenced in the Lease in, to, over or affecting the Premises for any purpose whatsoever.

Without limiting the foregoing, Lessee expressly agrees that the Lease and all rights thereunder shall be subject to all prior matters of record and the rights of County existing as of the Effective Date of the Restated Lease or otherwise disclosed to or known to Lessee, as its interest may appear, to install, construct, maintain, service and operate sanitary sewers, public roads and sidewalks, fire access roads, storm drains, drainage facilities, electric power lines, telephone lines and access and utility easements across, upon or under the Premises, together with the right of County to convey such easements and transfer such rights to others.

4. **Successors.** Subject to the provisions in the Lease governing assignment, the rights and obligations created in the Lease shall bind and inure to the benefit of the respective heirs, personal representatives, successors, grantees, and assigns of County and Lessee.

5. **Incorporation and Conflicts.** The purpose of this Memorandum is to provide notice of the Lease. All of the terms and conditions of the Lease are incorporated herein by reference as though set forth fully herein. In the event of any conflict between the terms hereof and of the Lease, the Lease shall prevail. This Memorandum is prepared for the purpose of recordation only and it in no way modifies the provisions of the Lease. A true copy of the Lease is on file in the offices of the County at Department of Beaches & Harbors, 13837 Fiji Way, Marina del Rey, California 90292. This Memorandum may be executed in counterparts, each of which shall be an original and all of which together shall constitute one fully-executed document.



SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, County and Lessee have entered into this Amendment as of the date first set forth above.

THE COUNTY OF LOS ANGELES

GOLD COAST SHOPPING CENTER,
LLC, a Delaware limited liability company

By: _____
Chair, Board of Supervisors

By: Mitchell Parkland
Its: managing member

By: [Signature]
Its: managing member

ATTEST:

VIOLET VARONA-LUKENS,
Executive Officer of the
Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: [Signature]
Deputy

APPROVED AS TO FORM:

MUNGER, TOLLES & OLSON LLP

By: [Signature]

EXHIBIT A

PARCEL 97R LEGAL DISCRIPTION

LEGAL DESCRIPTION

Marina Del Rey
Lease Parcel No. 97R

Parcels 407 to 415 inclusive, in the County of Los Angeles, State of California, as shown on Los Angeles County Assessor's Map No. 88, recorded in Book 1, pages 53 to 70 inclusive, of Assessor's Maps, in the office of the Recorder of said county.

Excepting therefrom that portion thereof which lies within the following described boundaries:

Beginning at the westerly corner of said Parcel 411; thence northeasterly along the northwesterly lines of said Parcels 411 to 414 inclusive, a distance of 390.00 feet to a point hereby designated "Point A"; thence continuing northeasterly along said northwesterly line of Parcel 414 to the northerly corner of said Parcel 414; thence northeasterly, easterly and southeasterly along the northwesterly, northerly and northeasterly boundaries of said Parcel 415 to the beginning of a curve concave to the south, having a radius of 20 feet, tangent to said northeasterly boundary and tangent to a line parallel with and 10 feet southeasterly, measured at right angles, from the straight line in said northwesterly boundary of Parcel 415; thence westerly along said curve to said parallel line; thence southwesterly along said parallel line to a line which bears at right angles to said northwesterly line of Parcel 414 at said "Point A"; thence southwesterly in a direct line to the point of beginning.

Also excepting therefrom that portion thereof which lies westerly of a curve concave to the east, having a radius of 40 feet, tangent to the straight line in the northwesterly boundary of said Parcel 407 and tangent to the straight line in the southwesterly boundary of said last mentioned parcel.

DESCRIPTION APPROVED
September 21, 1967
JOHN A. LAMBIE
County Engineer

By *John A. Lambie* Deputy